

SUBSTITUTE FOR
HOUSE BILL NO. 5238

A bill to amend 1986 PA 182, entitled
"State police retirement act of 1986,"
(MCL 38.1601 to 38.1648) by adding section 41a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 41a. (1) On or after January 1, 2005, the monthly
2 retirement allowance payable to a retirant who participated and
3 accrued leave time in the bank time hours program established by
4 the civil service system and operating from December 22, 1957 to
5 July 13, 1963 when the retirant was a member is supplemented by
6 an increase calculated under subsection (3).

7 (2) On or after January 1, 2005, the retirement allowance
8 beneficiary of a deceased retirant who would have been eligible
9 for an increased retirement allowance under subsection (1) shall
10 have his or her retirement allowance supplemented by an increase
11 calculated under subsection (3).

1 (3) A retirant or the retirement allowance beneficiary of a
2 deceased retirant who accrued no less than 5,276 bank time hours
3 shall have his or her annual retirement allowance supplemented by
4 an increase of 17%. A retirant or the retirement allowance
5 beneficiary of a deceased retirant who has accrued fewer than
6 5,276 bank time hours shall have his or her retirement allowance
7 supplemented by an increase of a percentage determined by
8 multiplying 17% by a fraction, the numerator of which is the
9 number of bank time hours accrued by the retirant or deceased
10 retirant and the denominator of which is 5,276. If this
11 calculation results in a retirement allowance supplement of less
12 than \$600.00 annually, then the supplement received by the
13 retirant or retirement allowance beneficiary entitled to a
14 supplement under this section shall be \$600.00 annually.

15 (4) The increase in retirement allowance under this section
16 shall be included in the basis upon which future adjustments to
17 the retirement allowance are calculated.